DOCUMENT RESUME

ED 034 494 HE 001 240

TITLE	The Role of the University in the Community. II.
INSTITUTION	Governmental Research Inst., Inc., Lincoln, Neb.
PUB DATE	Mar 69
NOTE	7p.
JOURNAL CIT	Governmental Research Institute Bulletin; v22 n16 Mar 69
EDRS PRICE	EDRS Price MF-$0.25 HC-$0.45
DESCRIPTORS	*City Government, City Problems, Community Consultant Programs, Consultants, Financial Problems, Fire Protection, *Higher Education, *Institutional Role, School Community Cooperation, *School Community Relationship, School Responsibility, State Universities, Urban Areas, *Urban Universities
IDENTIFIERS	*Nebraska University

ABSTRACT

This is the second in a series of 3 bulletins dealing with university-community relationships. The first bulletin examined the role of the university in contemporary American life and described some innovative programs in university-community cooperation. This bulletin presents some areas of cooperation between the University of Nebraska and the city of Lincoln and points out some problem areas in university-local government relations. The third will discuss the response of the University of Nebraska to urban problems within the state. The information was obtained from responses to letters of inquiry sent to several universities and national organizations. This report notes that joint staff meetings, university faculty and staff assistance to the city, and campus-city police cooperation are among the areas of cooperation between Lincoln and the University. Formulation of the cooperative structure and communication are the 2 main problems they have had. It is pointed out that the tax base of many local governments is decreasing because of university expansion that results in additional tax-exempt property. As a partial solution, universities can pay for the cost of fire protection to their campuses, and means of computing this are offered. Other suggestions to help relieve the city's financial plight are: 1) additional kinds of taxes and assessments; 2) increased state aid for local expenditures, and 3) in-lieu-of-tax payments. Arrangements for in-lieu-of-tax payments exist at several universities, and some of these are described. (DS)

ED034494

GRI Bulletin

GOVERNMENTAL RESEARCH INSTITUTE, INC.
(Formerly the Local Committee of 1000)
In cooperation with the University of Nebraska
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Research Director 108 Social Science Building
University of Nebraska

"A man's judgment is no better than his information"

Vol. 22 March, 1969 No. 16

THE ROLE OF THE UNIVERSITY IN THE COMMUNITY--II

This is the second in a series of bulletins dealing with university-community relationships. The first bulletin examined the traditional role of the university and cited some innovative programs in university-community cooperation. This bulletin will present some areas in which cooperation exists between the University of Nebraska and the City of Lincoln, some problem areas both here and in other university cities, and a discussion of ways in which the problems might be solved. The third in the series will discuss the response of the University of Nebraska to the problems created by an increase in population in urban areas in Nebraska. Included will be a discussion of the work of the Urban Studies Center at the University of Nebraska in Omaha.

Cooperation Between the University of Nebraska and the City of Lincoln

Without exception the city officials and university administrators we interviewed indicated that cooperation, both formal and informal, between the City and the University is generally very good. Informal cooperation exists in several ways. For example, the present city administration has initiated a program in which monthly meetings are held for the city's administrative staff and City Council members with faculty members. The purpose of the meetings is to acquaint the staff and Council with the work of various university departments.

Frequently the City utilizes the expertise of university staff for short term projects; e.g., a professor in the college of architecture designed the proposed northeast park at no charge to the City. Many professors and other university staff members serve on city boards, commissions and committees.

The City and the University cooperate as governmental units in many ways. For example, the University planning consultants, in formulating the master plan, frequently consulted with the City planning and public works departments. In addition the two units of government have worked together on land acquisition for University expansion and for the northeast diagonal.

A good illustration of intergovernmental cooperation is the campus police-city police department relationship. Although there is no written agreement between

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the two departments, the working relationship is well-defined and harmonious. Campus police are commissioned by the city and have authority anywhere in the city. However they confine their activities as much as possible to the campus. Campus police are on the city police radio, both transmitting and receiving. If a student is arrested by a city policeman, campus police are notified. If a student is arrested and detained, the city's detention facilities are used. In the area of traffic control, e.g., football games or accidents, the two units work closely together--campus police working primarily on the campus and city police working primarily off campus.

In the field of utilities the City provides water and sanitary sewer services for which the University pays standard, non-residential rates. The University provides its own electrical service, generating its own power, or buying from the hydro-electric facilities of the Bureau of Reclamation. The University provides electrical service to the State Capitol and the two Lincoln campuses. There is no arrangement between the University and the City for the exchange of electrical power.

Problem Areas

Structure for Cooperation-Opinion as to the need for a formal structure for cooperation was widely divergent. On the one hand some administrators resisted the idea indicating that "Things would get too legal and difficult." On the other hand some complained that, "Cooperation is completely formless. Too much is left to chance." Most administrators indicated that when a problem arose they called or arranged a meeting with the department involved in the other governmental unit. Several complained that this was a crisis approach to problem solving and that the public could be served better if there were a representative body from the University and from the City which met regularly. Such a group might help to establish goals, avoid problems, and discover areas of unmet need in which a joint effort might be effective. Several suggested that such a group should not be limited to representatives from the University and the City but should include other governmental units as well.

Communication--Sometimes what appears to be a lack of cooperation is merely a need for better communication. For example, some friction exists in the matter of building and fire codes. The University, as a public corporation governed by the state constitution and state statutes, is not legally obligated to abide by the City's building and fire codes. University buildings must be approved by the office of the State Fire Marshal who utilizes Life Safety Code 101 of the National Fire Prevention Association and who inspects buildings during construction and upon completion. Some City officials, however, take the position that inasmuch as the City provides fire and police protection for the University, the University should abide by City building and fire codes. Perhaps this problem could be solved by a frank discussion among the parties involved.

A second example of the need for better communication involves access to the campus for emergency vehicles. Is access adequate to every building, in the opinion of both the University and the City? When normal access routes are blocked, by construction, for example, should alternate routes be established and is the appropriate city department informed? Whereas the answer to these questions evaded us, the problem could be solved very simply by (1) assigning responsibility, and (2) good communication.

The Impact of State Activities on Local Communities--A far more complex problem, and one which defies a simple solution, is presented in the following

from a North Carolina General Assembly Study Commission:

> State activities are unquestionably of local as well as statewide benefit. Communities frequently compete for the location of a new State institution just as they do for new industry... The character of many State agencies, such as educational institutions or hospitals, contributes more to a community than just...jobs.
> State property and State employees are not self-sufficient, however. Property must be protected and served by roads and water and sewer lines. Likewise, State employees must have homes in the community and their children must be educated. The functions and services of local governments must be, and are, provided to State agencies as corporate citizens and to State employees as individual citizens.
> The only problem is that the State agency, being exempt from property taxation, does not contribute to the general cost of local government as does the average private employer.[1]

The North Carolina Commission attempted to ascertain whether "...the cost of local governmental services made necessary because of the existence of a State agency imposes an unfair burden on other property owners in the community--whether in fact the State is asking these property owners to subsidize activities that have a statewide benefit."[2]

In discussing this problem it is only fair to point out that the University is only one of many agencies, both governmental and private, enjoying tax exemption. However in Lincoln, where approximately 55% of the real property within the city is off the tax rolls, the problem is a serious one.[3] In addition, the University is experiencing rapid growth. According to the University's business administrator, for forty years the campus was comprised of four square blocks; now it has grown to approximately 60 square blocks and expansion continues.

Actually, then, we are talking about two problems: (1) the cost of local governmental services, and (2) reduction of the tax base because of increasing areas of tax-exempt land.

It is difficult to apportion the cost of city services. The North Carolina study illustrates this problem as follows:

> In Raleigh State installations are scattered all over the city. In planning police protection, the police department must necessarily provide for protection of State property, the inclusion

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[1]The North Carolina General Assembly, Report of the Commission to Study the Impact of State Sovereignty Upon Financing of Local Governmental Services and Functions (Raleigh, North Carolina, 1963), p. 27.

[2]The North Carolina General Assembly, op. cit., p. 27.

[3]This is an estimate by the Nebraska Tax Research Council which keeps an up-to-date inventory of tax-exempt property. It should be remembered, however, that approximately 25% of the property off the tax rolls in a city is accounted for by streets.

> of State property in routes for motor patrols, the control of traffic moving to downtown office building or to State College, or to athletic contests and the State Fair, and the investigation of crime and the apprehension of criminals wherever located. The size, equipment and distribution of the force is determined by the Chief, the Manager, and the Council on the basis of the job to be done, not on the basis of the kinds and location of property. These officials simply point out that the demands of the job are great, that the City is spending more than $600,000 a year for police protection (14% of General Fund expenditure), and that the City's major employer is not contributing towards this cost, as the employer who makes textiles or electronic devices must contribute.[1]

The cost of fire protection to the University of Nebraska might be estimated in one of two ways:

(1) First, let us assume that the University community (both campuses) require all of the fire protection services of a city of comparable size. The National Board of Fire Underwriters has worked out the following formula for estimating the cost of fire protection:

For municipalities under 50,000 (P = Population)

Required number of hose companies = $0.85 + 0.12P^2$

For a city of 17,500 (the approximate student population on the two Lincoln campuses) the cost would be as follows:

$0.85 + 0.12P = 2.95$ or 3 hose companies

It would also be necessary to have one ladder company. The cost of each of the four companies is approximately $112,500, so the cost of the four companies would be $450,000. (This is annual operating cost only. It does not include capital expenditures.)

(2) Berkeley formula: The University pays to the city that percentage of the total cost of the operation of the Fire Department that the number of responses to University properties bears to the total responses in the entire city. By the term "responses" is meant the number of fire companies responding to each alarm. For example, in 1957-58 the results were as follows:

Companies responding		
City	3,508	
U. C. Properties	113	
Total	3,621	
% of responses to U.C. Properties	=	3.1206%

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[1]The North Carolina General Assembly, op. cit., p. 29.

[2]National Board of Fire Underwriters, Standard Schedule for Grading Cities and Towns of the U.S., 1956.

Fire Department Operating Costs 1957-58 - $1,629,578.95

Cost to University for Fire Service

3.1206% of $1,629,578.95 = $50,852.64[1]

This formula cannot be used as a basis for comparison in Lincoln because figures are not available on the number of calls to University property.

City government is not the only local unit of government affected by the presence of state-owned property. For example, the same problems (1) rising costs of governmental services, and (2) limited tax base due to tax-exempt property, plague the school district:

Lincoln Public Schools

Cost per pupil --	1963-1964	$354.05
	1964-1965	351.65
	1965-1966	375.22
	1966-1967	478.31[2]
	1967-1968	507.42

While the cost per pupil continues to rise, real property valuations do not rise commensurately. Thus to meet demands for capital improvements and new operating expenses the school district must (1) increase the mill levy, or (2) hope for legislation granting increased state aid.

Solutions--Among the solutions suggested to relieve the financial plight of local governments are: (1) additional kinds of taxes and assessments, e.g., a city sales tax or a wheel tax designed to assess students as well as permanent residents; (2) increased state aid for local expenditures, e.g., for streets and education, and (3) in-lieu-of-tax payments.

The Wisconsin Legislative Reference Library has published a survey on the taxability of state property for local purposes. The survey indicated that no overall policy existed in any state to insure that undue burdens were not imposed on local governments. However many different kinds of arrangements for in-lieu-of-tax payments exist. Some examples follow:

University of North Carolina at Chapel Hill--Since 1961-62 the University has paid Chapel Hill $4.9636 per student per year as the university's share of the cost of governmental services.[3]

Oklahoma State University at Stillwater--In reply to our letter of inquiry, the mayor of Stillwater reports that the University owns the water supply and charges the City for water. He goes on to say, "We have a fire station on the campus. The initial building was built by the City, but additions have been made by the University, and the University maintains the building. All equipment and firemen are provided by

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[1]John D. Phillips, City Manager, "Proposed Bases for Payments by the University to the City for Services Rendered."

[2]The sharp increase is due to the loss of "federaly impacted area" funds which had been available under Public Law 874 because of the presence of the Air Base in Lincoln.

[3]The North Carolina General Assembly, op. cit., p. 37.

the City. The University conducts a two-year technical fire-fighting course. Serveral students live above the station and serve as back-up firemen." He also reports that the University has been operating the municipal airport, but that the City will soon assume that responsibility whereupon the University will pay a rental fee for areas they will occupy.[1]

Iowa State University at Ames--The City Manager reports that the University pays 25% of the cost of operating the City Fire Department and financed the cost of a new fire station on city property in the campus area and one-half the cost of a 100-foot aerial ladder truck. In addition the Unversity has agreed to pay 40% of the cost of capital improvements at the city water pollution control plant. The University has paid 50% of the cost of improving streets on University property and has provided right-of-way.[2] The Vice President for Business and Finance of Iowa State University also reports that the University and the City have a contractual agreement for the exchange of electrical power. The City and the University both own power plants. He continues, "These power plants are tied together at all times except in the event of emergency conditions." In addition tuition is paid to the Ames Community School District for each child who attends the Ames schools whose parents reside in University housing.[3]

University of Maryland at College Park--The College Park Volunteer Fire Department (not a City department) is housed in a University of Maryland building which is shared with the Fire Service Extension and the Fire Protection Engineering Program of the University. "The University also operates a twelve man dormitory within the building which is occupied by students who belong to the Fire Department. The University provides heat, electricity, and building maintenance... The fire-fighting members of the Department are area residents, University students and employees, and three paid firemen."[4]

From the National Association of State Universities and Land-Grant Colleges-

> In Kansas...contracts are used for services of the municipal fire department. This was started following a court decision that city officials might be personally responsible for injuries, etc., to firemen responding to calls outside the municipal jurisdiction, in the absence of formal legal arrangements for such service. Compensation is provided for on a stated basis in the contract.
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> At one state university...in which a local elementary school serves almost entirely children of families living in university housing, payments are made by the university to the city toward the local school budget.[5]

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[1]Letter from Larry Hansen, Mayor of Stillwater, Oklahoma, January 6, 1969.

[2]Letter from J. R. Castner, City Manager of Ames, Iowa, December 17, 1968.

[3]Letter from Wayne R. Moore, Vice President for Business and Finance, Iowa State University, January 6, 1969.

[4]Letter from Robert B. Williams, Assistant Fire Chief, College Park, Maryland, Jan. 23,

[5]Letter from Russell I. Thackrey, Executive Director, National Association of State Universities and Land-Grant Colleges, January 27, 1969,

Conclusion

The presence of the university in a community is of inestimable value. The problems which ensue are not of such magnitude that they defy solution by reasonable people working together in an atmosphere of mutual cooperation.

Our next bulletin will discuss some university-community efforts in Nebraska in meeting the challenge of our changing society.

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